

BEFORE THE
PRESIDENTIAL SEARCH SUBCOMMITTEE OF THE
INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE
TO THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE
ORGANIZED PURSUANT TO THE
CALIFORNIA STEM CELL RESEARCH AND CURES ACT
REGULAR MEETING

LOCATION: TELECONFERENCE

DATE: JANUARY 31, 2007
3 P.M.

REPORTER: BETH C. DRAIN, CSR
CSR. NO. 7152

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1 TELECONFERENCE; WEDNESDAY, JANUARY 31, 2007

2

3 CHAIRMAN KLEIN: WITH THAT, WE'RE GOING TO GO
4 THROUGH THE FORMAL ROLL CALL AT THIS POINT. AMY
5 DUROSS, WILL YOU CONDUCT A ROLL CALL, PLEASE.

6 MS. DUROSS: BOB BIRGENEAU, SUSAN BRYANT,
7 MICHAEL GOLDBERG.

8 MR. GOLDBERG: HERE.

9 MS. DUROSS: BRIAN HENDERSON.

10 DR. HENDERSON: HERE.

11 MS. DUROSS: DAVID KESSLER. SHERRY LANSING.

12 MS. LANSING: SHERRY LANSING IS HERE.

13 MS. DUROSS: RICHARD MURPHY. TINA NOVA.

14 DR. NOVA: HERE.

15 MS. DUROSS: PHIL PIZZO.

16 DR. PIZZO: HERE.

17 MS. DUROSS: DUANE ROTH. JOAN SAMUELSON.

18 MS. SAMUELSON: HERE.

19 MS. DUROSS: DAVID SERRANO-SEWELL. JEFF
20 SHEEHY.

21 MR. SHEEHY: I'M HERE. THANK YOU.

22 MS. DUROSS: JANET WRIGHT.

23 CHAIRMAN KLEIN: OKAY. WE ARE WAITING FOR
24 THE TRANSCRIPTIONIST. IS THE TRANSCRIPTIONIST THERE AT
25 THIS POINT?

1 THE REPORTER: I AM AND WE ARE ON THE RECORD.

2 CHAIRMAN KLEIN: THANK YOU VERY MUCH.

3 WE ARE TWO SHY OF A QUORUM. I WOULD LIKE
4 TO -- I WOULD LIKE TO CALL TO THE ATTENTION OF THE
5 PARTIES ON THE PHONE THAT WE HAVE A LETTER FROM JOHN
6 SIMPSON THAT SHOULD BE AVAILABLE. IT SHOULD BE
7 CIRCULATED TO ALL THE SITES. AND THAT LETTER, PERHAPS
8 I CAN INDICATE -- IS THIS AVAILABLE, IN FACT, AT YOUR
9 SITE? HAVE YOU RECEIVED COPIES OF IT?

10 MS. KING: WE HAVE IT IN SAN FRANCISCO AT
11 CIRM.

12 CHAIRMAN KLEIN: AND HAVE THE REST OF THE
13 MEMBERS RECEIVED A COPY OF THIS LETTER?

14 MS. KING: EVERYBODY RECEIVED IT.

15 DR. HENDERSON: I DON'T HAVE IT. BRIAN HERE.
16 I DON'T HAVE IT.

17 CHAIRMAN KLEIN: OKAY. MELISSA, COULD YOU
18 PLEASE --

19 MS. KING: I WILL MAKE SURE THAT DR.
20 HENDERSON GETS THEM. FOR ANYBODY THAT'S ON THE PHONE,
21 IT WAS ATTACHED TO AN E-MAIL FROM JENNA THAT YOU WOULD
22 HAVE RECEIVED YESTERDAY IN CASE YOU HAVE ACCESS TO
23 THAT. I'LL GO MAKE SURE DR. HENDERSON GETS IT.

24 MS. LANSING: WE DON'T HAVE IT, BUT WE HAVE,
25 FORTUNATELY, JOHN SIMPSON IS WITH US, SO WE WILL BE

1 ABLE TO BE HANDED IT.

2 CHAIRMAN KLEIN: FOR THE RECORD, WE'LL GET
3 COPIES OF THE LETTER TO EVERYONE. FOR ANYONE WHO
4 DOESN'T CURRENTLY HAVE IT, THE SUBSTANTIVE DIRECTION IN
5 THIS LETTER IS THE NEXT PRESIDENT MUST BE AN EXTREMELY
6 COMPETENT, HANDS-ON SCIENTIFIC ADMINISTRATOR WHO CAN
7 SET UP AND MAINTAIN TRANSPARENT AND ACCOUNTABLE
8 MANAGEMENT SYSTEMS. HE OR SHE MUST BE ABLE TO INTERACT
9 WITH THE PUBLIC, STATE OFFICIALS, LEGISLATORS, AND THE
10 MEDIA IN A TRANSPARENT, HONEST, AND ACCOUNTABLE
11 FASHION.

12 IN THE PAST THERE HAS BEEN SOME SUGGESTION
13 THE PRESIDENT MIGHT CONTINUE TO MAINTAIN A RESEARCH
14 LABORATORY AS PART OF THE PRESIDENT'S ROLE. THIS
15 SHOULD NOT BE ALLOWED. THE PRESIDENCY AT CIRM IS MORE
16 THAN A FULL-TIME JOB. A PERSON TRYING TO MANAGE CIRM'S
17 ACTIVITIES AND CONDUCT MEANINGFUL RESEARCH
18 SIMULTANEOUSLY WILL DO JUSTICE TO NEITHER ACTIVITY.

19 MEMBERS OF THE SEARCH COMMITTEE SHOULD AVOID
20 THE TEMPTATION OF SEEKING A BIG NAME SCIENTIST KNOWN
21 FOR HIS OR HER DISCOVERIES. THE EMPHASIS MUST BE ON
22 THE INDIVIDUAL SKILLS AND SCIENTIFIC MANAGEMENT AND
23 ADMINISTRATION.

24 FINALLY, THERE ARE A NUMBER OF INDIVIDUALS ON
25 THE ICOC ITSELF WHO HAVE PERFORMED ADMIRABLY IN THEIR

1 POSITIONS AS SCIENTIFIC ADMINISTRATORS. I BELIEVE
2 CIRM'S INTERESTS WILL BE BEST SERVED IF YOU LOOK BEYOND
3 THE OVERSIGHT COMMITTEE.

4 AND THEN HE SPECIFICALLY COMPLIMENTS DR. HALL
5 FOR HIS LEADERSHIP IN THE TWO YEARS THAT HE'S BEEN IN
6 THAT POSITION.

7 ARE THERE OTHER COMMUNICATIONS THAT HAVE BEEN
8 RECEIVED BY THE MEMBERS OR ARE RECEIVED AT CIRM?

9 DO ANY MEMBERS OF THE PUBLIC WISH TO MAKE A
10 COMMENT?

11 MR. SIMPSON: JOHN SIMPSON. JUST APPRECIATE
12 VERY MUCH THAT YOU PUT THE LETTER IN THE RECORD. THANK
13 YOU.

14 MR. SHEEHY: AND, BOB, WE HAVE A COMMENT FROM
15 DON REED IN SAN FRANCISCO.

16 MR. REED: I WOULD TAKE ISSUE WITH ONE THING
17 THAT JOHN SAID, AND THAT'S MAYBE WE JUST ARE NOT ON THE
18 SAME PAGE. THERE'S PEOPLE THAT ARE DOING OUTSTANDING
19 SCIENTIFIC WORK, AND MAYBE THEY WOULD NOT BE ABLE TO
20 CONTINUE THE WORK SPECIFICALLY, BUT PERHAPS THEY COULD
21 WORK OUT SOME KIND OF A SABBATICAL ARRANGEMENT WHERE
22 THEY WOULDN'T LOSE THEIR CONNECTION TO IT BECAUSE THE
23 PEOPLE THAT WE WANT IN LEADERSHIP POSITIONS SHOULD BE
24 EXPERTS, WHICH BY DEFINITION MEANS (INTERFERENCE ON THE
25 CALL). SO I WOULD HOPE THAT THAT WOULD NOT BE A

1 DISQUALIFICATION, THAT SOME KIND OF FLEXIBLE
2 ARRANGEMENT COULD BE WORKED OUT. THANK YOU.

3 CHAIRMAN KLEIN: ARE OTHER MEMBERS OF THE
4 BOARD WHO WERE NOT ANNOUNCED IN THE ROLL CALL, HAVE
5 THEY JOINED?

6 DR. ROTH: DUANE ROTH IS HERE, BOB.

7 CHAIRMAN KLEIN: THANK YOU.

8 MR. SERRANO-SEWELL: DAVID SERRANO-SEWELL.

9 CHAIRMAN KLEIN: WE HAVE A QUORUM.

10 DR. PENHOET: ED PENHOET IS ON THE CALL, BUT
11 I'M NOT ON THIS COMMITTEE.

12 CHAIRMAN KLEIN: WE ARE NOW THEN GOING TO THE
13 AGENDA ITSELF. AND I WOULD LIKE TO MENTION TO THE
14 PUBLIC THAT PUBLIC NOMINATIONS WOULD BE WELCOME AS
15 PREVIOUSLY ESTABLISHED BY THE PRESIDENTIAL SEARCH
16 COMMITTEE AS AN OPERATING PRACTICE. AND THOSE PUBLIC
17 NOMINATIONS, AS WE CREATE THE PROCESS, WE WILL INDICATE
18 A POINT OF CONTACT FOR THOSE. IN THE INTERIM, WHILE WE
19 DECIDE ON A PROFESSIONAL SEARCH FIRM, MELISSA KING AT
20 CIRM CAN RECEIVE THOSE NOMINATIONS, AND THOSE
21 NOMINATIONS WILL BE KEPT CONFIDENTIAL. AND DURING THE
22 PROCESS OF THE PROCESS ITSELF WILL BE KEPT
23 CONFIDENTIAL, BUT THEY WILL ALL BE CONSIDERED.

24 THE AGENDA PROVIDES FOR A SPECIFIC ITEM OF
25 DISCUSSION AND A PERSONNEL DISCUSSION SESSION. JAMES

1 HARRISON, YOU'RE ALSO ON?

2 MR. HARRISON: YES.

3 CHAIRMAN KLEIN: THE INTENTION, SUBJECT TO
4 THE COMMITTEE'S DISCRETION, IS TO DISCUSS THE SEARCH
5 PROCESS AND POTENTIAL COMPETITIVE BIDDING PROCESS FOR
6 HIRING A PROFESSIONAL EXECUTIVE SEARCH FIRM THAT HAS
7 GOT CONCEPTUALLY THE POTENTIAL TIMETABLE WHICH, IN
8 FACT, MUST BE SET, IF THERE'S AN EXECUTIVE SEARCH FIRM,
9 IN COLLABORATION WITH THEM, BUT CONCEPTUALLY WE CAN
10 DISCUSS THAT TIMETABLE, THEN GO INTO EXECUTIVE SESSION,
11 AND THEN COME BACK AND DISCUSS THE PRESIDENT'S JOB
12 SUMMARY AND CRITERIA.

13 FOR PURPOSES OF EDUCATING EVERYONE TO THE
14 PROCESS, THERE ARE AVAILABLE THE PREVIOUS POSITION AND
15 CANDIDATE SPECIFICATIONS THAT SPENCERSTUART DEVELOPED
16 WITH THE COMMITTEE IN THE LAST JOB SEARCH. THEY ARE IN
17 NO WAY BINDING ON THIS JOB SEARCH, MERELY AS TALKING
18 POINTS TO DEFINE WHAT NEEDS TO HAPPEN.

19 WE COULD DISCUSS THE SEARCH PROCESS AND THE
20 COMMITTEE'S VIEW OF PROFESSIONAL EXECUTIVE SEARCH FIRMS
21 AS AN ITEM. IS THERE COMMITTEE COMMENT ON HIRING A
22 PROFESSIONAL EXECUTIVE SEARCH FIRM?

23 MS. SAMUELSON: I HAVE A COMMENT. THIS IS
24 JOAN. IT SEEMS TO ME THAT DISCUSSING THAT IS
25 PREMATURE. IT SEEMS TO ME THE FIRST THING WE NEED TO

1 DO IS DECIDE WHAT THE SKILL SET IS THAT WE'RE LOOKING
2 FOR. AND I THINK BEFORE WE DO THAT, WE NEED TO
3 EVALUATE THE RESULTS OF THE PRESIDENCY THAT WE'VE HAD
4 TO DATE HELD BY ZACH, AND EVALUATE HOW THAT HAS GONE
5 AND HOW THE STRENGTHS, AND LESSON STRENGTHS OF THAT
6 MIGHT OR MIGHT NOT MATCH. I'M NOT PUTTING THIS VERY
7 WELL.

8 HOW ABOUT WOULD MATCH WITH THE VISION WE HAVE
9 FOR OUR WORK GOING FORWARD? BECAUSE I THINK IT VERY
10 WELL MAY BE A DIFFERENT SKILL SET THAT WE'RE LOOKING
11 FOR AT THIS POINT.

12 CHAIRMAN KLEIN: OKAY. OTHER COMMENTS?

13 MS. LANSING: I WANT TO ADD TO THIS. TO ME
14 THERE SEEMS TO BE AN ORDER THAT WE NEED TO FOLLOW. AT
15 OUR BOARD MEETING IN MISSION BAY, WE HAD ASKED ED
16 PENHOET, WHO IS ON THE PHONE, I BELIEVE, TO CODIFY WHAT
17 THE VARIOUS ROLES OF THE PRESIDENT AND THE CHAIRMAN
18 WERE. WE ALL KIND OF AGREED ON WHAT THEY SHOULD BE,
19 AND WE NEED A DOCUMENT THAT DEFINES THE ROLES.

20 AND I KNOW, ED, YOU'RE IN THE PROCESS OF
21 DOING THAT. AND THAT GIVES US A BASIS ON WHICH TO GO
22 OUT AND LOOK FOR SOMEBODY. BECAUSE IF YOU ALL
23 REMEMBER, IT'S TAKEN A LOT LONGER THAN I THINK ANY OF
24 US ANTICIPATED; BUT IF YOU ALL REMEMBER, WE HAD A BOARD
25 MEETING IN MISSION BAY, AND WE KIND OF -- THE

1 GOVERNANCE COMMITTEE WAS IN CHARGE, TINA AND I, WITH
2 DEFINING THE ROLES SO THAT EVERYBODY WOULD BE CLEAR.
3 AND WE FELT THAT WE NEEDED TO DO THIS BEFORE WE COULD
4 RECRUIT SOMEBODY, SO WE COULD ACTUALLY DESCRIBE THE JOB
5 TO THAT PERSON.

6 AND ED AND OBVIOUSLY WITH BOB AND ZACH WERE
7 GOING TO WORK THIS OUT, AND ED WAS GOING TO REPORT BACK
8 TO THE GOVERNANCE COMMITTEE. AND I THINK WE FINALLY
9 HAVE A DATE SET UP FOR THE 21ST WITH THIS IS THE ROLES.
10 THEN YOU KNOW WHAT THE JOB IS.

11 SIMULTANEOUS WITH THAT, I THINK WE NEED TO
12 ENGAGE A SEARCH FIRM BECAUSE I THINK, AS BOB, I THINK
13 THIS IS RIGHT, AND CORRECT ME IF I'M WRONG, THAT YOU
14 INFORMED ME THAT IT TAKES THREE WEEKS. YOU HAVE TO GO
15 OUT AND HAVE PUBLIC BIDS FOR VARIOUS SEARCH FIRMS, AND,
16 YOU KNOW, DO IT THROUGH A PUBLIC PROCESS. SO ASSUMING
17 THAT WE CAN DO TWO THINGS SIMULTANEOUSLY, WE CAN TRY
18 AND GET A SEARCH FIRM AND SEE WHAT COMPETITIVE BIDS WE
19 HAVE COMING IN IN THE NEXT THREE WEEKS AND CODIFY THE
20 ROLES SO THAT EVERYBODY KNOWS WHAT WE'RE LOOKING FOR.
21 THEN WE CAN DO AN EVALUATION AS WELL.

22 MR. SHEEHY: YEAH. CAN I SPEAK TO THIS,
23 PLEASE? I ACTUALLY TRIED TO REACH OUT TO SHERRY AND ED
24 BEFORE THIS MEETING AND HAD NO LUCK.

25 MS. LANSING: I CALLED YOU BACK TWICE.

1 MR. SHEEHY: REALLY?

2 MS. LANSING: YES, TWICE. AND I COULDN'T

3 UNDERSTAND. I DID LITERALLY CALL YOU BACK TWICE. I'M

4 JUST TELLING YOU THAT. SO MAYBE THERE'S SOMETHING

5 WRONG.

6 MR. SHEEHY: MAYBE MY PHONES AREN'T WORKING

7 OR SOMETHING.

8 MS. LANSING: I DID. I KEPT CALLING YOU

9 BECAUSE YOU SAID YOU WANTED TO TALK, AND SO I TRIED TO

10 GET YOU.

11 DR. PENHOET: I DID TOO, JEFF.

12 MR. SHEEHY: LAST NIGHT, ED. THANK YOU.

13 MS. LANSING: MINE WAS THE DAY OF AND THE

14 NEXT DAY.

15 MR. SHEEHY: I GOT A MESSAGE FROM LAURA THAT

16 SOMEONE FROM YOUR STAFF WOULD BE CALLING TO SET UP A

17 CHANCE TO CHAT.

18 DR. PIZZO: I CALLED YOU TOO. THIS IS PHIL.

19 JUST KIDDING.

20 DR. HENDERSON: I DIDN'T CALL YOU, BUT I'D

21 LIKE TO.

22 MR. GOLDBERG: LET ME ASSURE YOU I DID NOT

23 CALL YOU.

24 CHAIRMAN KLEIN: JEFF, YOU HAVE THE FLOOR.

25 MR. SHEEHY: BUT MY POINT IS IS THAT IN THE

1 COURSE OF WORKING THROUGH SOME ISSUES RELATED TO THE
2 GRANTS WORKING GROUP OVER THE LAST COUPLE OF MONTHS,
3 AND HAVING SPENT AN ENORMOUS AMOUNT OF TIME DOWN HERE
4 AT CIRM, IT SEEMS TO ME THAT THE INTERNAL GOVERNANCE
5 ISSUES NEED TO BE SEPARATED FROM THE PRESIDENTIAL
6 SEARCH. I THINK THAT THERE ARE ISSUES IN THE INTERNAL
7 GOVERNANCE THAT, AND I THINK WE CAN ADDRESS IT IN
8 CLOSED SESSION, THAT ARE MORE SPECIFIC AND LESS GLOBAL.

9 I THINK WHEN WE LOOK FOR A NEW PRESIDENT, WE
10 SHOULD BE LOOKING FOR A PRESIDENT BASED ON WHERE WE ARE
11 AS AN INSTITUTION RIGHT NOW. WE NEED TO LOOK -- WE
12 NEED TO EVALUATE THE PERFORMANCE OF THE PRESIDENT WE'VE
13 HAD. AND I THINK THERE ARE SEVERAL VERY POSITIVE
14 THINGS THAT WE CAN SAY, AND, YOU KNOW, OTHERS, THERE
15 MAY BE SOME THINGS THAT OTHER PEOPLE MAY HAVE HAD
16 PROBLEMS WITH, BUT WE NEED TO LOOK AT THE BACKGROUND
17 AND SEE IF THE BACKGROUND OF THE CANDIDATE THAT WE HAVE
18 IN THE POSITION CURRENTLY WAS A FACTOR IN EITHER THE
19 STRENGTHS OR WHAT OTHER PEOPLE MIGHT SAY WERE
20 WEAKNESSES AND THEN TAILOR OUR NEW SEARCH TO THAT.

21 BUT I THINK TO LET THE INTERNAL GOVERNANCE
22 HISTORY OVERLY DIRECT OUR PRESIDENTIAL SEARCH AT THIS
23 PHASE WOULD REALLY BE A MISTAKE. AND I'M REALLY
24 UNCOMFORTABLE WITH HAVING THAT BECOME A SINE QUA NON
25 BEFORE MOVING FORWARD.

1 AND THE SECOND POINT I'D LIKE TO MAKE IS I DO
2 THINK IT'S ABSOLUTELY IMPERATIVE THAT WE HIRE A SEARCH
3 FIRM. I THINK SHERRY IS RIGHT. WE NEED TO GET STARTED
4 ON THAT RIGHT AWAY SIMPLY BECAUSE THAT'S THE ONLY WAY
5 WE CAN ASSURE TRANSPARENCY.

6 JOHN SIMPSON ALLUDED TO THE FACT THAT BOARD
7 MEMBERS MIGHT BE INTERESTED IN THIS POSITION. I KNOW I
8 WAS TALKING WITH ZACH, AND ZACH MENTIONED NAMES OF
9 BOARD MEMBERS THAT WERE INTERESTED IN THE POSITION.
10 AND I THINK WE NEED TO HAVE A WHOLE DISCUSSION OF THAT
11 SEPARATELY; BUT IN THAT THAT MAY BE A POSSIBILITY, I
12 THINK THAT A SEARCH FIRM WILL ASSURE THE HIGHEST DEGREE
13 OF TRANSPARENCY AND OBJECTIVITY.

14 CHAIRMAN KLEIN: I THINK IT SOUNDS LIKE WE
15 HAVE SOME DEGREE OF COALESCING AROUND THE CONCEPT OF A
16 SEARCH FIRM. AND AS SHERRY POINTED OUT, WE HAVE A
17 THREE-WEEK LEAD TIME FOR THE COMPETITION. COMPETITION
18 AND THE SUBMISSION OF BIDS DOES NOT MEAN WE NEED TO
19 ACCEPT THE BIDS, BUT IT GIVES US THE ABILITY AND WE
20 DON'T LOSE THE TIME THAT'S THERE.

21 SO THE AGENDA ITEM IS, FIRST, THE HIRING OF
22 THE SEARCH FIRM ITSELF IN TERMS OF JUST PUTTING IT OUT
23 TO COMPETITIVE BID.

24 MS. SAMUELSON: BOB, THAT STILL SEEMS
25 PREMATURE TO ME. IT SEEMS TO ME FOR TWO REASONS. ONE

1 IS DON'T WE NEED A JOB DESCRIPTION BEFORE WE KNOW HOW
2 WE'RE GOING TO APPROACH HIRING, INCLUDING WHAT KINDS OF
3 PROFESSIONALS WE WOULD USE?

4 THE OTHER THING IS I HATE THIS CONFERENCE
5 CALL FORMAT TO LAUNCH THIS THING, WHICH IS SO VERY
6 IMPORTANT, AND I MADE THAT CLEAR IN AN E-MAIL, I THINK.
7 NONETHELESS, WE'RE GETTING STARTED, BUT I WOULD HATE TO
8 NOT AT LEAST HAVE ONE FULL COMMITTEE MEETING ON THE
9 SUBJECT OF THE JOB DESCRIPTION AND THE WIDER ISSUES,
10 LIKE JEFF WAS DESCRIBING, THAT COME UP IN TRYING TO
11 FIGURE OUT WHAT THE SKILL SET IS WE'RE GOING TO NEED.

12 SO I THINK WE SHOULD AT LEAST HAVE THIS ON
13 THE AGENDA FOR THAT MEETING.

14 CHAIRMAN KLEIN: JOAN, I COMPLETELY AGREE
15 THAT IT'S VERY DIFFICULT TO HAVE A CONFERENCE FORMAT.
16 WE DO NEED A MEETING WITH EVERYONE PRESENT. BUT RATHER
17 THAN PUT IT OUT FURTHER, WE HAD TO MOVE THIS FORWARD.
18 BUT WE'RE GOING TO TRY MIGHTILY TO GET THE ATTENDANCE
19 IN PERSON AT THE NEXT MEETING.

20 DR. PENHOET: IF I COULD INTERJECT A COMMENT
21 HERE. I DO BELIEVE THAT THERE ARE SOME ISSUES WE HAVE
22 TO DEAL WITH ON THE MARGIN, BUT I THINK THAT WE'RE
23 TENDING TO FOCUS ON THE SORT OF MARGINAL ISSUES HERE
24 WITH RESPECT TO A JOB DESCRIPTION. I THINK THE MACRO
25 ISSUES ARE QUITE CLEAR. PRESIDENT OF CIRM HAS A WHOLE

1 SET OF DUTIES WHICH ARE NOW CODIFIED AND WHICH ARE NOW
2 WORKING, ETC. THERE MAY BE SOME DIFFERENCES ON THE
3 BORDER BETWEEN THAT WE WOULD WANT TO REFINE GOING
4 FORWARD, BUT IN TERMS OF ENGAGING A SEARCH FIRM, I
5 THINK WE HAVE ENOUGH INFORMATION TODAY TO DO THAT.

6 MS. LANSING: I HAVE A QUESTION. I'M
7 CONFUSED. I'M OVERLAPPING THIS WITH GOVERNANCE BECAUSE
8 I WEAR BOTH HATS. I WAS UNDER THE IMPRESSION THAT WE
9 HAD A -- THROUGH THE BOARD, WE HAD ALL AGREED ON A
10 CODIFIED JOB DESCRIPTION OF THE PRESIDENT AND THE
11 CHAIRMAN BECAUSE ONE OF THE THINGS THAT A SEARCH FIRM
12 IS GOING TO ASK FOR, ONE OF THE THINGS THAT A CANDIDATE
13 IS GOING TO ASK FOR IS WHAT THEIR JOB IS AND HOW THEY
14 RELATE.

15 I'M NOT TRYING TO GET INTO MINUTIAE. I'M
16 TRYING TO GET -- I HAVE IT IN FRONT OF ME. WHAT I'M
17 ASKING YOU, ED, BECAUSE BEEN THERE'S SO MANY --

18 DR. PENHOET: THAT'S MY POINT. I'M JUST
19 ARGUING FOR DOING THIS IN PARALLEL. WE'RE TALKING
20 ABOUT THREE WEEKS TO GET A SEARCH FIRM. THAT MACRO
21 DESCRIPTION IS ALREADY IN PLACE, THE COMPENSATION RATE
22 IS IN PLACE, THE SUBJECT MATTER IS IN PLACE, THE SIZE
23 OF THE ORGANIZATION IS IN PLACE, THE GENERAL SCOPE OF
24 THE DUTIES IS IN PLACE. ALL THOSE THINGS WILL BE
25 REFINED BY THE TIME WE ACTUALLY SIT DOWN WITH A SEARCH

1 FIRM TO GIVE THEM MORE DETAILS EXACTLY WHAT SHOULD
2 HAPPEN.

3 MS. LANSING: SO YOU'RE SAYING WHAT I'M
4 SAYING?

5 DR. PENHOET: YES, INDEED. I TOTALLY AGREE
6 WITH YOU.

7 MS. LANSING: OKAY. THAT'S ALL I NEED TO
8 KNOW. I FEEL VERY STRONGLY THAT WE CAN GO AHEAD WITH
9 THE SEARCH FIRM, AND WE CAN GO AHEAD REFINING THE MACRO
10 TO AN EXTENT THAT A SEARCH FIRM OR A CANDIDATE WOULD
11 HAVE CLARITY. AND THAT'S ALL I'M LOOKING FOR.

12 DR. HENDERSON: I JUST WANT TO SUPPORT JOAN'S
13 CALL, THAT WE HAVE AN OPEN DISCUSSION SOMEWHERE OR A
14 GENERAL DISCUSSION ABOUT THE JOB DESCRIPTION ISSUES
15 SOMEWHERE IN THIS PROCESS, THAT WE GET SOME CLARITY
16 AMONG OURSELVES. I DON'T WANT TO SEE A SEARCH GO LIKE
17 THE LAST TIME WHERE GETTING TO THE END WAS MORE
18 IMPORTANT THAN THE PROCESS.

19 DR. PIZZO: RIGHT.

20 DR. ROTH: LET ME MAYBE MOVE THIS ALONG AND
21 MAKE A MOTION THAT WE PROCEED WITH THE BIDDING FOR THE
22 SEARCH FIRM, AND THAT ONE OF THE CRITERIA BE THAT THE
23 SEARCH FIRM HAVE EXPERIENCE IN RECRUITING BOTH
24 OPERATIONAL SENIOR PEOPLE AND SCIENTIFIC SENIOR PEOPLE.
25 SO TO ADDRESS JOAN'S CONCERN ABOUT THE CART BEFORE THE

1 HORSE, WE SHOULD PICK A FIRM THAT ACTUALLY HAS PROVEN
2 EXPERIENCE THERE WHICH ELIMINATE PEOPLE THAT MAY NOT
3 HAVE BOTH.

4 CHAIRMAN KLEIN: ALL RIGHT. IS THERE A
5 SECOND TO DUANE'S MOTION?

6 MR. SHEEHY: I'M WILLING TO SECOND WITH AN
7 AMENDMENT. I FELT LAST TIME THAT WE WERE REALLY SHORT
8 ON CANDIDATES FROM THE BUSINESS COMMUNITY, AND THAT WAS
9 A REAL DISAPPOINTMENT. AND I DON'T KNOW HOW -- IS
10 THERE SOME WAY, DUANE, WE MIGHT BE ABLE TO INCLUDE THAT
11 BECAUSE I HAVE A FEELING MOVING FORWARD THAT THIS FOCUS
12 ON ACADEMIC MEDICAL RESEARCH OR NIH-TYPE EXPERIENCE, MY
13 BIAS MAY BE OVERVALUED, AND I'D --

14 DR. ROTH: JEFF, WHAT I MEANT BY OPERATION --
15 SO HOWEVER YOU WANT TO WORD THAT IS FINE -- THEY HAVE
16 TO HAVE PROVEN ABILITY TO RECRUIT SENIOR LEVEL BUSINESS
17 OPERATIONS PEOPLE AND SENIOR LEVEL SCIENTIFIC PEOPLE.

18 MR. SHEEHY: YOU GOT MY SECOND, DUANE.

19 CHAIRMAN KLEIN: WE HAVE A MOTION AND A
20 SECOND. SO ADDITIONAL BOARD COMMENT?

21 MS. SAMUELSON: I'M NOT SURE THAT THAT
22 DEFINITION WILL INCLUDE THE UNIVERSE OF POSSIBILITIES.
23 IT MAY. I'M NOT SURE I KNOW WHAT ALL OPERATIONS
24 ENCOMPASSES. IF IT ENCOMPASSES SOMEONE WHO HAS A BIG
25 VISION FOR THE END RESULT AND A SENSE OF ALL THE

1 PARTNERSHIPS WE'RE GOING TO NEED TO BE COLLABORATING
2 WITH NATIONALLY AND PERHAPS GLOBALLY TO GET THAT RESULT
3 AND HAS THAT KIND OF SKILL SET, THEN IF THAT'S
4 ENCOMPASSED WITHIN OPERATIONS, I'M HAPPY, ALTHOUGH I
5 THINK WE NEED TO BE SURE AMONG OURSELVES THAT WE KNOW
6 WHAT WE'RE LOOKING FOR AND HAVE SOME KIND OF CONSENSUS.
7 I'M NOT SURE IT DOES.

8 MR. SERRANO-SEWELL: MY ONLY COMMENT, I
9 SUPPORT THE MOTION AS WELL. I THINK WE NEED TO GET
10 THIS PROCESS STARTED, NOTWITHSTANDING THESE OTHER
11 ISSUES THAT ARE BEING RAISED, WHICH ARE IMPORTANT, BUT
12 WE NEED TO GET THE BALL ROLLING. THANK YOU, DUANE, FOR
13 THE MOTION.

14 THAT IS, THAT ONCE WE RETAIN A SEARCH FIRM,
15 THAT THAT SEARCH FIRM REPORTS TO THE ICOC THROUGH THE
16 PRESIDENTIAL SEARCH COMMITTEE. WE HAVE A CHAIR, BOB,
17 AND THAT STAFF, THE OFFICE OF THE PRESIDENT, REALLY IS
18 NOT INVOLVED AND IN NO WAY KEPT IN THE LOOP WITH THIS
19 PROCESS. I JUST WANT TO MAKE SURE BECAUSE THIS IS THE
20 ONE FUNCTION THAT THE ICOC IS CLEARLY IN CHARGE OF, AND
21 THAT IS HIRING A PRESIDENT. THAT'S WHAT WE'RE DOING,
22 BUT I JUST WANT THAT FOR MY OWN CLARITY, TO BE CLEAR
23 THAT THAT IS THE UNDERSTANDING WITH THIS COMMITTEE AND
24 WITH STAFF AS WELL.

25 DR. PIZZO: THIS IS PHIL PIZZO. I AGREE WITH

1 THE COMMENTS THAT HAVE BEEN MADE WITH REGARD TO THE
2 GENERAL CHARACTERISTICS OF THE INDIVIDUAL THAT WE'RE
3 LOOKING FOR. AND I THINK HIGH QUALITY SEARCH FIRMS, AS
4 WE ALL KNOW, WILL BE ABLE TO LOOK FOR THAT BROAD
5 PANOPLY OF PEOPLE. I THINK LAST TIME WE WERE UNDER
6 SUCH A RUSH, THAT PERHAPS WE DIDN'T HAVE THE TIME TO DO
7 THAT KIND OF DUE DILIGENCE, BUT WE SHOULD BE ABLE TO DO
8 IT THIS TIME.

9 THE OTHER THING THAT WE ALSO HAVE TO AGREE,
10 AND I THINK THIS COMES TO, DAVID, YOUR COMMENT THAT
11 THIS IS ONE OF OUR HIGHEST PRIORITIES, AND IT RELATES
12 TO A MEMO THAT CAME OUT TODAY THAT WE GOT BY E-MAIL.
13 WE REALLY HAVE TO BE VERY CAREFUL TO MAKE SURE THAT WE
14 HONOR THE SEARCH PROCESS BECAUSE IF ANY OF US ARE OUT
15 ENGAGING WITH CANDIDATES OR SPEAKING OUT OF THE SEARCH
16 PROCESS, IT WILL IMMEDIATELY CONTAMINATE IT. I KNOW
17 FROM EXPERIENCE THAT ONCE THE WORD GETS ON THE STREET
18 THAT SOMETHING SEEMS TO BE SELF-FULFILLED, THAT GOOD
19 CANDIDATES WILL LITERALLY DROP AWAY. I WANT TO BE SURE
20 THAT OUR ICOC RESPONSIBILITIES INCLUDES THAT
21 RECOGNITION AND THAT COMMITMENT.

22 MR. SHEEHY: DOES THAT INCLUDE THE PRESIDENT
23 AS WELL?

24 DR. PIZZO: YES. IT INCLUDES, I THINK,
25 EVERYONE. WE HAVE TO BE CLEAR THAT WE ALL HAVE A

1 COMMON GOAL, WHETHER THE OUTGOING PRESIDENT OR THE
2 ONGOING ICOC MEMBERS, THAT THE GOAL IS TO MAKE SURE
3 THAT WE HAVE THE BEST LEADERSHIP FOR THE ORGANIZATION,
4 AND THAT WE DO THAT IN A WAY THAT PROTECTS THE PROCESS
5 AND ITS INTEGRITY.

6 CHAIRMAN KLEIN: OKAY. ARE THERE OTHER BOARD
7 MEMBERS THAT WOULD LIKE TO SPEAK TO THIS MOTION?

8 MS. LANSING: YES. I WOULD LIKE TO JUST ADD
9 SOMETHING TO WHAT PHIL SAID. I THINK WE ALL KNOW THAT
10 THERE WAS A VERY DISTURBING THING IN NATURE.COM WITH A
11 LEAK OF SOME SORT ABOUT A POTENTIAL CANDIDATE. AND
12 THIS IS THE KIND OF THING THAT WE'RE ALL TRYING TO
13 AVOID. I DON'T KNOW HOW IT GOT THERE. I'M NOT
14 ACCUSING ANYBODY. IT'S REALLY NOT IMPORTANT. BUT WHEN
15 THESE THINGS HAPPEN, VERY GOOD PEOPLE OFTEN WITHDRAW.

16 DR. PIZZO: RIGHT.

17 MS. LANSING: SO MY FEELING IS THAT WHEN WE
18 GET THE SEARCH COMMITTEE, ANY SUGGESTION THAT ANYBODY
19 HAS GOES DIRECTLY TO THE SEARCH COMMITTEE. THAT IS
20 THEIR JOB. NO ONE SHOULD BE SHY. YOU CAN SUGGEST
21 ANYONE YOU WANT, AND THEY DO THE WORK, AND THEN AT A
22 PROPER TIME WE ALL SEE THE CANDIDATES.

23 DR. PIZZO: RIGHT. AND THE PROCESS HAS TO BE
24 THAT EVERYONE ON THE COMMITTEE, THAT MEANS US AND
25 ULTIMATELY THE ICOC, HAS TO MAINTAIN ABSOLUTE

1 CONFIDENTIALITY. AND THERE CAN'T BE ANY DISCUSSION
2 WITH CANDIDATES OUTSIDE THE NORMAL PROCESS, NOT
3 INFORMAL OR FORMAL.

4 MS. LANSING: AND THE TRUTH IS, HAVING GONE
5 THROUGH A LOT OF THESE FOR THE UC SYSTEM, THE MINUTE
6 THERE'S AN OUTSIDE DISCUSSION, WHAT HAPPENS IS IT
7 LEAKS, THE CANDIDATE'S INSTITUTION FINDS OUT ABOUT IT,
8 AND HE OR SHE WITHDRAWS.

9 DR. PIZZO: THAT'S RIGHT.

10 MS. LANSING: IT'S JUST TERRIBLE. AND I READ
11 THIS NATURE, AND IT'S DEVASTATING TO ME.

12 DR. PIZZO: NOT ONLY THAT, I THINK THE OTHER
13 THING THAT WILL HAPPEN IS OTHER GOOD CANDIDATES WHO
14 MIGHT BE INTERESTED WILL FEEL THAT THE DECISION IS
15 ALREADY MADE, AND THEY WON'T EVEN ENTER THE PROCESS.
16 SO IT WORKS AGAINST US IN BOTH DIRECTIONS. WE JUST
17 HAVE TO BE ABSOLUTELY, ABSOLUTELY COMMITTED TO THAT.

18 MS. LANSING: BUT THE GOOD NEWS IS WE WILL
19 HAVE A SEARCH FIRM, AND WE CAN SUGGEST ANYONE WE WANT.

20 CHAIRMAN KLEIN: OKAY. ANY ADDITIONAL
21 COMMENTS FROM THE BOARD? ANY COMMENTS FROM THE PUBLIC?

22 MR. SIMPSON: JUST A QUICK QUESTION FOR THE
23 RECORD. I WAS NOT AWARE THAT MR. SHEEHY WAS A MEMBER
24 OF THE SEARCH COMMITTEE. HAS HE JUST JOINED?

25 CHAIRMAN KLEIN: MR. SHEEHY WAS ADDED TO THE

1 SEARCH COMMITTEE AFTER THE LAST BOARD MEETING.

2 MR. SIMPSON: THANK YOU.

3 MS. LANSING: I WANT TO SAY HE'S A WELCOME
4 ADDITION, AND I SWEAR I CALLED YOU TWICE, JEFF.

5 MR SHEEHY: OKAY, SHERRY.

6 MS. LANSING: I WOULD NEVER NOT -- YOU'RE
7 TALKING TO A PERSON WHO IS SO COMPULSIVE, I ONCE DID AN
8 AD ABOUT RETURNING EVERY CALL.

9 MR. SIMPSON: I WELCOME HIS APPOINTMENT AS
10 WELL. I JUST HADN'T REALIZED HE WAS ON.

11 MR. SHEEHY: I HAVE TO CONFESS. MICHELLE HAS
12 BEEN SICK, I'VE BEEN MYSELF AS WELL, SO WE'VE BEEN A
13 LITTLE BIT OUT OF WHACK.

14 MR. LANSING: IT'S OKAY. I JUST WANT YOU TO
15 KNOW I THINK SO MUCH OF YOU, AND I RETURN YOUR CALL THE
16 MINUTE I GET IT.

17 DR. BIRGENEAU: MY PHONE WAS ACCIDENTALLY ON
18 MUTE, SO YOU COULDN'T HEAR ME EARLIER. I STRONGLY
19 SUPPORT GOING FORWARD IN EXACTLY THE WAY ED PENHOET
20 STATED IT.

21 CHAIRMAN KLEIN: OKAY. SO IS THERE ANY OTHER
22 PUBLIC COMMENT?

23 MR. REED: I SPOKE TO A CIRM EMPLOYEE EARLIER
24 AND JUST AS THE HOT GOSSIP OF THE DAY, "WHAT ARE YOUR
25 THOUGHTS ON THE PRESIDENT?" AND THE PERSON SAID, "I'M

1 SORRY. I HAVE TO RECUSE MYSELF." SO THAT
2 SELF-CENSORING PROCESS HAS ALREADY BEGUN, AND RIGHTLY
3 SO.

4 ON THE OTHER HAND, I DON'T THINK THAT WE
5 SHOULD BE TOO UPSET. I THINK WE SHOULD ISSUE A
6 RESPONSE. SOMEONE SHOULD ISSUE A RESPONSE THAT THIS
7 SITUATION HAS JUST BEGUN AND IT'S WIDE OPEN. BUT I
8 DON'T THINK WE SHOULD BE TOO UPSET THAT PEOPLE ARE
9 POSTING IDEAS BECAUSE THIS IS THE MOST EXCITING NEWS OF
10 THE YEAR. THIS IS TREMENDOUS INFORMATION. SO I THINK
11 THAT A LITTLE BIT OF THE AMERICAN IDOL HYSTERIA, I'D
12 LIKE TO HEAR SOME REAL EXCITEMENT ABOUT THIS ISSUE AS
13 WELL.

14 CHAIRMAN KLEIN: DON, WITH DUE RESPECT, WE'RE
15 GOING TO TRY TO KEEP HYSTERIA OUT OF IT. WE ALWAYS
16 WELCOME YOUR COMMENTS AND ALL THE PUBLIC COMMENTS. ANY
17 OTHER PUBLIC COMMENTS?

18 MS. KING: ONE MORE IN SAN FRANCISCO. THIS
19 IS MELISSA KING, AND I JUST WANTED TO LET EVERYBODY ON
20 THE PHONE KNOW THAT IF THEY WOULD LIKE A LIST OF THE
21 CURRENT SUBCOMMITTEE MEMBERS, THAT IS POSTED ON THE
22 WEBSITE ON THE ICOC INFO PAGE.

23 CHAIRMAN KLEIN: WHILE WE HAVE COMPLETED THE
24 PUBLIC COMMENT, ARE THERE ANY OTHER BOARD COMMENTS
25 BEFORE A VOTE? OKAY. I WOULD LIKE TO CALL FOR THE

1 QUESTION. IT IS A ROLL CALL VOTE BECAUSE WE ARE ON A
2 CONFERENCE CALL HOOKUP.

3 MS. DUROSS: DR. BIRGENEAU.

4 DR. BIRGENEAU: YES.

5 MS. DUROSS: SUSAN BRYANT. MICHAEL GOLDBERG.

6 MR. GOLDBERG: YES.

7 MS. DUROSS: BRIAN HENDERSON.

8 DR. HENDERSON: YES.

9 MS. DUROSS: DAVID KESSLER.

10 DR. KESSLER: YES.

11 MS. DUROSS: BOB KLEIN.

12 CHAIRMAN KLEIN: YES.

13 MS. DUROSS: SHERRY LANSING.

14 MS. LANSING: YES.

15 MS. DUROSS: TINA NOVA.

16 DR. NOVA: YES.

17 MS. DUROSS: PHIL PIZZO.

18 DR. PIZZO: YES.

19 MS. DUROSS: DUANE ROTH.

20 MR. ROTH: YES.

21 MS. DUROSS: JOAN SAMUELSON.

22 MS. SAMUELSON: NO.

23 MS. DUROSS: DAVID SERRANO-SEWELL.

24 MR. SERRANO-SEWELL: YES.

25 MS. DUROSS: JEFF SHEEHY.

1 MR. SHEEHY: YES.

2 MS. DUROSS: JANET WRIGHT.

3 DR. WRIGHT: YES.

4 CHAIRMAN KLEIN: OKAY. THANK YOU. MOVING TO
5 THE NEXT ITEM, THE CONSIDERATION --

6 MR. HARRISON: FOR THE RECORD, THE MOTION
7 CARRIED 12 TO ONE.

8 CHAIRMAN KLEIN: THANK YOU, JAMES.

9 THE NEXT ITEM IS CONSIDERATION OF THE
10 POTENTIAL TIMETABLE AND INTERIM ACTIONS. I THINK
11 THERE'S BEEN DISCUSSION OF INTERIM ACTIONS.
12 UNFORTUNATELY I THINK SHERRY HAS CONFIRMED FOR US THAT
13 THE PARALLEL PROCESS, THERE IS A MEETING ON FEBRUARY
14 21ST OF THE GOVERNANCE COMMITTEE, WHICH WILL BE
15 HELPFUL. WE WOULD ALSO CALL TO EVERYONE'S ATTENTION
16 JEFF SHEEHY'S COMMENTS, THAT THE PRESIDENTIAL SEARCH
17 COMMITTEE, AS THE BOARD HAS DISCUSSED IN OPEN SESSION
18 AS WELL, HAS THE ABILITY TO RECOMMEND ORGANIZATIONAL
19 SUPPORTS OR STRUCTURES THAT WILL FACILITATE THE BOARD'S
20 BEST DECISION, WHATEVER THAT DECISION MAY BE. IF THE
21 BOARD NEEDS TO DO MODIFICATIONS SEPARATE FROM THE
22 ORGANIZATIONAL STRUCTURE THE GOVERNANCE COMMITTEE IS
23 DEALING WITH, THEY CAN RECOMMEND THOSE TO THE BOARD, IF
24 THEY ARE NEEDED, TO FACILITATE RECRUITING THE BEST
25 CANDIDATES FOR THE MISSION.

1 MS. SAMUELSON: BOB, QUESTION. THIS IS JOAN.
2 ARE YOU NOT CONTEMPLATING AN AGENDA WITH THE FULL BOARD
3 OF THAT JOB DESCRIPTION?

4 CHAIRMAN KLEIN: THERE SHOULD BE A FULL
5 MEETING OF THIS PRESIDENTIAL SEARCH COMMITTEE FOR THE
6 JOB DESCRIPTION, AND THIS PRESIDENTIAL SEARCH COMMITTEE
7 AT THAT MEETING, I THINK, JOAN, WOULD DECIDE WHETHER
8 THEY WANTED TO TAKE THAT TO THE FULL BOARD OR NOT.
9 THAT'S AN OPEN QUESTION, BUT IT CERTAINLY IS SOMETHING
10 THAT NEEDS TO HAPPEN. AND WE'RE GOING TO TRY AND
11 SCHEDULE THE NEXT MEETING OF THIS AS SOON AS POSSIBLE.
12 IT SHOULD BE RIGHT AFTER THE 21ST, SO WE CAN HAVE THE
13 BENEFIT OF THE GOVERNANCE COMMITTEE'S ACTIONS.

14 MS. SAMUELSON: I GUESS ONE THOUGHT I HAVE IS
15 THAT I WOULDN'T WANT TO GO TOO FAR DOWN THE ROAD
16 WITHOUT THE INPUT OF THE FULL COMMITTEE ABOUT OUR
17 WORKING HISTORY THUS FAR AND THE LEADERSHIP OF THE
18 CURRENT PRESIDENT AND HOW WE SEE THE FUTURE AS THE SAME
19 OR DIFFERENT AND HOW THAT MIGHT AFFECT THE SKILL SET.
20 I THINK THAT'S AN INTRODUCTORY QUESTION I WOULD REALLY
21 LIKE TO HEAR SOME OF THE FULL COMMITTEE ON.

22 CHAIRMAN KLEIN: OKAY. WELL, WE DO HAVE A
23 PERSONNEL SESSION HERE THAT WE ARE ABOUT TO GO INTO
24 AFTER THIS ITEM, JOAN, AND WITHIN PERSONNEL, IF YOU
25 HAVE PERSONNEL COMMENTS, THOSE ARE APPROPRIATE.

1 MS. SAMUELSON: OKAY.

2 MR. SHEEHY: I'D LIKE TO SECOND JOAN'S IDEA.
3 I ACTUALLY THINK THAT THE FULL BOARD AND, FRANKLY, THAT
4 GIVES THE PUBLIC, THE PRESS THE WHOLE PANOPLY OF WHAT
5 CONSTITUTES OUR STAKEHOLDERS A MUCH BETTER OPPORTUNITY
6 TO WEIGH IN ON WHAT THE CANDIDATE SPECIFICATIONS SHOULD
7 BE. GIVEN THAT THE INITIAL CANDIDATE SPECIFICATIONS
8 WERE ADOPTED BY THE FULL BOARD, AND ANTICIPATING THAT
9 WE WILL PROBABLY DEVIATE FROM THOSE, IT SEEMS TO ME
10 THAT THE APPROPRIATE PROCESS WOULD BE FOR THIS
11 COMMITTEE TO COME UP WITH SOME NEW SPECIFICATIONS, AND
12 THEN RECOMMEND THEM TO THE BOARD FOR THE ADOPTION BY
13 THE FULL BOARD. WHILE THAT MAY SLOW US DOWN, I DON'T
14 THINK, AS HAS BEEN MENTIONED BY SEVERAL PEOPLE ON THIS
15 CALL ALREADY, I THINK WE CAN BE MORE DELIBERATE THIS
16 TIME. AND WE DON'T QUITE HAVE THE SAME SORT OF
17 PRESSURE UPON US.

18 CHAIRMAN KLEIN: JEFF, A GOOD POINT IS THAT
19 WE HAVE THE POTENTIAL, IF WE CAN GET A COMMITTEE
20 MEETING TOGETHER HERE RIGHT AFTER THE 21ST OF FEBRUARY
21 AT SOME POINT, TO HAVE ENOUGH TIME TO MAKE THE MARCH
22 BOARD MEETING IF THE COMMITTEE WANTS TO HAVE A FULL
23 DISCUSSION AT THE MARCH BOARD MEETING. THE MARCH BOARD
24 MEETING AGENDA IS A MUCH SHORTER AGENDA THAN THE
25 FEBRUARY MEETING. AND IF THAT'S THE COMMITTEE'S

1 DESIRE, WE CAN PROBABLY ACCOMMODATE THAT DISCUSSION AS
2 A PART OF THAT MEETING. AND THAT DOESN'T NECESSARILY
3 SLOW US DOWN BECAUSE WE CAN CERTAINLY -- THERE ARE
4 FRONT-END PROCESSES OF AN EXECUTIVE SEARCH FIRM THAT
5 WOULD BE HIRED TO POTENTIALLY START DURING THE PROCESS
6 OF REFINING THOSE CRITERIA.

7 IN TERMS OF THE CONSIDERATION OF THE
8 POTENTIAL TIMETABLE, WOULD ANYONE ON THE BOARD LIKE TO
9 TAKE GENERAL COMMENTS ON GOALS, BEARING IN MIND JEFF'S
10 COMMENT, AND JOAN'S COMMENT, THAT WE HAVE THE NEED TO
11 GET THE VERY BEST CANDIDATE FOR OUR MISSION? WE DO
12 HAVE TIME, BUT THEIR SCOPE AND TIME OF MINIMUM AND
13 MAXIMUM, OR WOULD WE RATHER DEFER THAT DISCUSSION TO
14 OUR NEXT MEETING?

15 MR. GOLDBERG: BOB, THIS IS MICHAEL GOLDBERG.
16 IS MARCH THE ABSOLUTE FIRST NEXT FULL BOARD
17 OPPORTUNITY? I THOUGHT THERE WAS A FEBRUARY MEETING
18 AND THEN AN APRIL MEETING.

19 CHAIRMAN KLEIN: THERE IS A FEBRUARY MEETING.
20 WE HAVE 130 SEED GRANT APPLICATIONS IN FEBRUARY.

21 MR. GOLDBERG: I'M JUST WONDERING WHETHER WE
22 CAN ADDRESS THIS ISSUE THERE. I'M ALL FOR ENGAGEMENT
23 WITH ALL OF OUR STAKEHOLDERS, BUT I DO THINK THERE'S A
24 GREATER SENSE OF URGENCY HERE THAN PERHAPS JEFF DOES.
25 AND MY BIAS IS BECAUSE ZACH HAS DECLARED AS A

1 TRANSITIONAL PERSON. YOU KNOW, WE'RE UP AGAINST
2 PERHAPS A FLEXIBLE, RATHER THAN A FIXED TIMETABLE WITH
3 HIM, BUT THAT SHOULDN'T GIVE US THE FALSE SENSE OF
4 COMPLACENCY, THAT THERE'S A WHOLE ORGANIZATION THERE
5 THAT'S BEEN CHARGED WITH AN ENORMOUS RESPONSIBILITY OF
6 ADMINISTERING THE RESEARCH APPARATUS OF THE CIRM. AND
7 IT'S LEADERLESS. I DON'T LIKE WORKING FOR AN
8 ORGANIZATION THAT'S LEADERLESS. I SAY LEADERLESS, I
9 DON'T MEAN THAT IN THE SENSE IT DOESN'T HAVE A CHAIR
10 ENGAGED AND VICE CHAIR ENGAGED AND ZACH'S ENGAGEMENT,
11 BUT IT'S NOT THE SAME AS AN ORGANIZATION THAT'S MOVING
12 FORWARD.

13 THERE'S ENTROPY IN MY EXPERIENCE AT THIS
14 STAGE OF AN ORGANIZATION'S LIFE WITH A LEADER WHO'S
15 ANNOUNCED HIS DEPARTURE. AND I THINK THAT SHOULD GIVE
16 US ACTUALLY AN INCREASED SENSE OF URGENCY, IF ANYTHING.
17 SO I'D LIKE TO DO EVERYTHING WE CAN TO FAST TRACK THE
18 PROCESS WITHOUT SACRIFICING ANY OF THE TRANSPARENCY AND
19 ENGAGEMENT WITH STAKEHOLDERS THAT I THINK WE'RE ALL
20 COMMITTED TO.

21 MS. SAMUELSON: I AGREE WITH YOU, MICHAEL,
22 BUT I GUESS I DON'T THINK THAT BEING DELIBERATE ABOUT
23 IT IS GOING TO BE A SLOWER ROUND. I'M THINKING IN MY
24 MIND BACK TO THE FIRST SEARCH PROCESS, AND I THINK ONE
25 OF THE THINGS WE NEED TO DO IS REVISIT THAT. AND THAT

1 WAS, IN RETROSPECT, NOT THE SHORTEST ROUTE TO THE
2 RESULT. I THINK WE HADN'T ANTICIPATED THAT, AND I
3 THINK WE NEED TO PLAN IT BETTER THIS TIME.

4 MR. SERRANO-SEWELL: I AGREE WITH MICHAEL 110
5 PERCENT. I'M NOT INTERESTED IN ANY WAY IN REINVENTING.
6 THIS COMMITTEE IS CHARGED WITH A VERY SPECIFIC TASK,
7 DIFFICULT AND COMPLICATED, BUT VERY SPECIFIC. THAT
8 BEING FIND A NEW PRESIDENT. WE GENERALLY KNOW AS
9 MEMBERS WHAT THOSE CHARACTERISTICS AND WHAT THE MAKEUP
10 OF THAT INDIVIDUAL SHOULD BE.

11 BUT RIGHT NOW WE'VE GOT TO STRIKE WHILE THE
12 IRON IS HOT. ZACH'S ANNOUNCED HE'S LEAVING. HE'S THE
13 OUTGOING PRESIDENT. WE NEED TO FIND SOMEONE SOONER
14 RATHER THAN LATER. AND I THINK THROUGH THIS
15 PRESIDENTIAL SEARCH COMMITTEE PROCESS, WHICH IS A
16 STANDING SUBCOMMITTEE OF THE FULL ICOC, IS SUBJECT TO
17 BAGLEY-KEENE, THERE WILL BE THE OPPORTUNITY FOR THE
18 PUBLIC TO OPINE AND GIVE US THEIR THOUGHTS.

19 NOW, WE'LL KNOW IF WE'VE FAILED IN DOING OUR
20 JOB IF OUR COLLEAGUES ON THE FULL ICOC SORT OF REJECT
21 OUR APPROACH, DON'T LIKE THE PERSON WE RECOMMEND, AND
22 SEND IT BACK TO US. THEY'LL REPUDIATE IT. SO I THINK
23 WE OUGHT TO PROCEED WITH THE COMMITTEE PROCESS AND MOVE
24 AS SOON AS POSSIBLE.

25 AND BOB'S RIGHT. OUR CALENDAR FOR FEBRUARY

1 IS BOOKED. IT'S BOOKED. WE HAVE THE SEED GRANTS TO
2 DEAL WITH, WE HAVE THE COMPREHENSIVE GRANTS TO DEAL
3 WITH, AND THEN WE HAVE THE SHARED FACILITIES GRANTS TO
4 DEAL WITH. SO OUR PRECIOUS ICOC TIME WILL BE SPENT
5 DOING WHAT WE'RE SUPPOSED TO DO, WHICH IS AWARD THESE
6 GRANTS. WE WON'T HAVE THE TIME TO DEAL WITH THESE
7 IMPORTANT ADMINISTRATIVE MATTERS. THAT'S WHAT THE
8 SUBCOMMITTEE IS FOR.

9 MR. SHEEHY: I THINK THAT THE -- I HAVE TO
10 DISAGREE WITH THE PREVIOUS SPEAKERS, AND I THINK THE
11 POINT THAT DAVID JUST MADE, I MEAN WE HAVE THE SEED
12 GRANTS GOING OUT, WE HAVE THE COMPREHENSIVE GRANTS
13 GOING OUT, WE HAVE THE SHARED FACILITIES RFA ABOUT TO
14 BE RELEASED. WE ACTUALLY HAVE A FULL PLATE GOING
15 FORWARD. AND I GIVE ZACH ENORMOUS AMOUNT OF CREDIT,
16 AND I THINK THAT WE COULD COAST FOR A COUPLE OF MONTHS
17 JUST TRYING TO GET THE WORK DONE THAT'S BEEN INITIATED.
18 WE'VE GOT A STRATEGIC PLAN. WE'VE GOT ETHICAL
19 STANDARDS. WE'RE ALMOST THROUGH WITH INTELLECTUAL
20 PROPERTY. SO MANY PIECES OF THE PUZZLE ARE IN PLACE,
21 AND LET'S GET THIS RIGHT AND LET'S BE DELIBERATE.

22 I, FRANKLY, FROM A PARLIAMENTARY POINT OF
23 VIEW IN TERMS OF PROCESS, I DON'T THINK THAT WE CAN
24 CHANGE SOMETHING THAT WAS ADOPTED BY THE BOARD AT A
25 COMMITTEE LEVEL WITHOUT GOING BACK TO THE BOARD AND

1 GETTING THE BOARD'S APPROVAL. JAMES MAY HAVE AN
2 OPINION ON THAT.

3 CHAIRMAN KLEIN: OKAY. I THINK THAT THE
4 TIMETABLE ISSUE, IT SOUNDS LIKE, ARE GOING TO BE MORE
5 CRYSTALLIZED AT OUR NEXT SESSION BECAUSE IF WE
6 HAVE PRESENTATIONS IN THIS COMPETITIVE BID PROCESS AT
7 THE NEXT SESSION, THE PROFESSIONAL SEARCH FIRMS WILL
8 ALSO HAVE PROPOSED PROCESSES. WE WILL GIVE THEM THE
9 INFORMATION FROM THE TRANSCRIPT SO THEY HAVE THE
10 BENEFIT OF KNOWING WHAT'S BEEN DISCUSSED AND
11 CONTEMPLATED HERE, SO WE MAKE SURE WE HAVE A THOROUGH
12 DISCUSSION. IT SOUNDS LIKE THERE IS SOME CONSENSUS OF
13 HAVING THIS AT THE BOARD LEVEL.

14 AND IF IT'S WITHOUT OBJECTION BY THE MEMBERS,
15 WE COULD MOVE ON TO THE CLOSED SESSION UNLESS THE
16 MEMBERS WOULD LIKE TO ACT ON A SPECIFIC TIMETABLE
17 TODAY. THIS IS NOT AN ACTION ITEM.

18 ARE THERE PUBLIC MEMBERS WHO WOULD LIKE TO
19 COMMENT ON THIS ITEM BEFORE WE GO INTO THE CLOSED
20 SESSION? HEARING NO PUBLIC MEMBERS, I WOULD LIKE TO GO
21 INTO THE CLOSED SESSION.

22 MR. SIMPSON: I DIDN'T GET THE BUTTON PUSHED
23 THERE.

24 CHAIRMAN KLEIN: GO AHEAD.

25 MR. SIMPSON: I MEAN I DO THINK THAT YOU DO

1 NEED SOME SORT OF -- I'M HEARING ON THE ONE HAND GO
2 SLOW AND ON THE OTHER HAND GO FAST. AND IT SEEMS TO ME
3 THAT THERE'S A GOLDBLOCKS SOLUTION HERE WHERE YOU MOVE
4 FORWARD WITH ALL DELIBERATE SPEED. AND THAT TO ME IS
5 WHERE YOU SHOULD END UP.

6 CHAIRMAN KLEIN: OKAY. I THINK THIS MIGHT BE
7 REFRAMED IN TERMS OF TIME WHEN WE GET THE COMPETITIVE
8 PROPOSAL FOR THE EXECUTIVE SEARCH FIRMS, BUT WE
9 CERTAINLY RESPECTFULLY TAKE IN ALL OF THESE COMMENTS
10 AND SEE WHAT WE CAN DO WITH THIS. THANK YOU, JOHN
11 SIMPSON.

12 MR. SIMPSON: CAN I ASK ONE FURTHER QUESTION?
13 HOW LONG DO YOU THINK IT WILL BE BEFORE YOU'RE ABLE TO
14 PUT OUT A REQUEST FOR BIDS?

15 CHAIRMAN KLEIN: WE WOULD HOPE TO DO THAT IN
16 THE NEXT COUPLE OF -- YOU MEAN IN TERMS OF THE
17 EXECUTIVE SEARCH FIRM? WE HOPE TO DO THAT IN THE NEXT
18 TWO DAYS. THAT'S A PROCESS WHERE WE CAN DO IT PRETTY
19 QUICKLY.

20 GOING TO THE CLOSED SESSION, THE BOARD
21 MEMBERS HAVE A DIAL-IN FOR THE CLOSED SESSION, THE
22 BOARD MEMBERS WHO ARE COMMITTEE MEMBERS. WE WILL THEN
23 TRY AND RECONVENE AFTER THIS CLOSED SESSION. THAT WILL
24 GO ON FOR 45 MINUTES TO AN HOUR. REPEATING, TO NOT
25 REPEAT ON THE OPEN PHONE LINES THE ACCESS CODE.

1 DR. HENDERSON: AM I ON THIS COMMITTEE?

2 CHAIRMAN KLEIN: YOU ARE, BRIAN. I WAS NOT

3 EXPECTING YOU TO HAVE ATTENDANCE. I'M GOING TO HAVE

4 MELISSA CALL YOU DIRECTLY AT YOUR OFFICE TO MAKE SURE

5 YOU HAVE THE ACCESS CODE.

6 DR. HENDERSON: I DON'T HAVE IT. I'M AT MY

7 CELL PHONE, MELISSA.

8 MR. GOLDBERG: BRIAN, ARE YOU AT AN INTERNET?

9 DR. HENDERSON: YEAH.

10 MR. GOLDBERG: I THINK I'VE GOT YOUR E-MAIL.

11 I'LL FORWARD IT.

12 DR. HENDERSON: THANK YOU.

13 DR. PIZZO: SO WE'RE GOING TO GET OFF THIS

14 CALL AND THEN CALL IN?

15 CHAIRMAN KLEIN: THANK YOU VERY MUCH.

16 (COMMITTEE THEN WENT INTO CLOSED

17 SESSION. AFTER CLOSED SESSION, THE COMMITTEE

18 RECONVENED AND WAS HEARD AS FOLLOWS:)

19 CHAIRMAN KLEIN: WE ARE COMING BACK FROM

20 CLOSED SESSION. WE HAVE TAKEN NO ACTION IN CLOSED

21 SESSION.

22 THE NEXT POINT IS AS TO ITEM 3, THE CIRM

23 PRESIDENT JOB SUMMARY AND CRITERIA. DOES THE BOARD

24 WANT TO DISCUSS THIS AT THIS TIME, OR WHAT IS THE

25 PLEASURE OF THE BOARD AS TO THAT TOPIC? DO I HAVE ANY

1 COMMENTS BY THE BOARD MEMBERS?

2 DR. ROTH: I WOULD SUGGEST THAT WE TABLE THIS
3 DECISION UNTIL WE'VE RECRUITED AND HIRED A SEARCH FIRM.
4 I DON'T THINK WE'RE READY TO DISCUSS IT TODAY.

5 MS. LANSING: AND I AGREE WITH THAT.

6 CHAIRMAN KLEIN: OKAY. AND IS THERE A DESIRE
7 IN TERMS OF INTENT TO EFFECTIVELY TRY AND ARRANGE FOR A
8 PUBLIC SESSION OF THE BOARD TO ALSO DISCUSS THE JOB
9 CRITERIA?

10 MS. LANSING: YES, THERE IS A DESIRE AND
11 INTENT FOR THAT.

12 CHAIRMAN KLEIN: OKAY. AT THE NEXT MEETING
13 I'M GOING TO CALENDAR THAT SUBJECT FOR DISCUSSION, ALSO
14 CALENDAR A DISCUSSION OF FORMALLY PUTTING IT ON THE
15 BOARD AGENDA THAT FOLLOWS.

16 AND IS JAMES ON?

17 MR. HARRISON: YES.

18 CHAIRMAN KLEIN: JAMES, MY UNDERSTANDING IS
19 UNDER ITEM 4, WE PREVIOUSLY WITH THAT VOTE AUTHORIZED
20 ME TO HAVE STAFF PUT OUT A REQUEST FOR PROPOSALS FOR A
21 PROFESSIONAL EXECUTIVE SEARCH FIRM; IS THAT CORRECT?

22 MR. HARRISON: THAT'S CORRECT.

23 CHAIRMAN KLEIN: SO NO MORE ACTIONS ARE
24 REQUIRED TO ACCOMPLISH THAT?

25 MR. HARRISON: NO. DEPENDING UPON THE SIZE

1 OF THE CONTRACT, IT MAY REQUIRE BOARD APPROVAL, BUT THE
2 RFP ITSELF IS FINE.

3 CHAIRMAN KLEIN: OKAY. ANY ADDITIONAL
4 COMMENTS BY THE BOARD? ANY ADDITIONAL COMMENTS FROM
5 THE PUBLIC?

6 MR. SIMPSON: YES, FROM THE PUBLIC. JOHN
7 SIMPSON. FROM WHERE I'M SITTING, IT DOES SEEM TO MAKE
8 SENSE THAT YOU WOULD BE DEVELOPING THE JOB SUMMARY AND
9 CRITERIA IN CONJUNCTION WITH A SEARCH FIRM. SO IT
10 SEEMS TO ME PERFECTLY SENSIBLE THAT YOU'RE NOT
11 DISCUSSING THAT FURTHER TODAY.

12 CHAIRMAN KLEIN: OKAY. THANK YOU, JOHN. ANY
13 OTHER PUBLIC COMMENT?

14 MR. GOLDBERG: NONE FROM STANFORD.

15 MR. SHEEHY: NONE FROM SAN FRANCISCO.

16 CHAIRMAN KLEIN: ALL RIGHT. HEARING NO OTHER
17 PUBLIC COMMENT, I WOULD CALL FOR ADJOURNMENT. THE
18 MEETING STANDS ADJOURNED.

19 (THE MEETING WAS THEN CONCLUDED AT 04:51
20 P.M.)

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REPORTER'S CERTIFICATE

I, BETH C. DRAIN, A CERTIFIED SHORTHAND REPORTER IN AND FOR THE STATE OF CALIFORNIA, HEREBY CERTIFY THAT THE FOREGOING TRANSCRIPT OF THE PROCEEDINGS BEFORE THE PRESIDENTIAL SEARCH SUBCOMMITTEE OF THE INDEPENDENT CITIZEN'S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD AT THE LOCATION INDICATED BELOW

TELECONFERENCE
ON
JANUARY 31, 2007

WAS HELD AS HEREIN APPEARS AND THAT THIS IS THE ORIGINAL TRANSCRIPT THEREOF AND THAT THE STATEMENTS THAT APPEAR IN THIS TRANSCRIPT WERE REPORTED STENOGRAPHICALLY BY ME AND TRANSCRIBED BY ME. I ALSO CERTIFY THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING.

BETH C. DRAIN, CSR 7152
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